

Calendar No. 1955

86TH CONGRESS
2d Session

SENATE

REPORT
No. 1885

CHAUNCEY A. AHALT

AUGUST 22, 1960.—Ordered to be printed

Mr. EASTLAND, from the Committee on the Judiciary, submitted the following

R E P O R T

[To accompany H.R. 11327]

The Committee on the Judiciary, to which was referred the bill (H.R. 11327) for the relief of Chauncey A. Ahalt, having considered the same, reports favorably thereon, without amendment, and recommends that the bill do pass.

PURPOSE

The purpose of the bill is to relieve Chauncey A. Ahalt, of Dayton, Ohio, of liability to repay to the United States the sum of \$1,097.11 which was erroneously paid to him by the Department of the Air Force as salary between September 26, 1954, and January 23, 1960.

STATEMENT

The claimant, an Air Force civilian employee of the Wright Air Development Division, Dayton, Ohio, was given a longevity pay increase of \$200 per year as the result of an erroneous action by an administrative official of the Department of the Air Force. Because of the erroneous longevity pay increase subsequent pay increases were also in error. A General Accounting Office auditor determined the error and the claimant is under legal liability to repay the total amount which he received erroneously which is \$1,097.11.

The Comptroller General has commented in reporting on the bill:

Although the overpayment to Mr. Ahalt resulted from an erroneous administrative determination of his longevity step

increase rights, we believe that action to relieve him of his obligation to repay the amount of the overpayment would be preferential in nature. Generally, in the absence of unusual circumstances, we do not favor private relief legislation which is preferential. However, the question of whether the facts and circumstances in this case are of such a nature as to warrant relief legislation is a matter for determination by the Congress.

The Committee on the Judiciary of the House of Representatives considered the matter at a hearing before a subcommittee. In favorably reporting the bill the Committee on the Judiciary of the House of Representatives commented:

At a hearing before a subcommittee of the Judiciary Committee evidence was adduced to the effect that the claimant's take-home pay for 13 pay periods in 1960 was \$4,422.86 as against expenses for a similar period of \$4,918.14 which included medical and hospital bills as well as payments on a mortgage home (\$14,000). The claimant also borrowed on life insurance the sum of \$2,950, to help meet hospitalization and medical bills.

The committee finds that to require repayment of an administrative error under the circumstances disclosed by the evidence will result in a hardship and an unusually great burden on the claimant and recommends that this legislation be favorably considered.

The committee believes that the bill is meritorious and recommends it favorably.

Attached and made a part of this report are (1) a letter, dated April 7, 1960, from the Comptroller General of the United States, and (2) a letter, dated May 19, 1960, from the Department of the Air Force.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 7, 1960.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives.*

DEAR MR. CHAIRMAN: On March 25, 1960, you requested our report of the facts as disclosed by our records and our opinion concerning the merits of H.R. 11327, 86th Congress, for the relief of Mr. Chauncey A. Ahalt.

Our records show that Mr. Ahalt's indebtedness is for overpayments of salary by Wright-Patterson Air Force Base resulting from the erroneous processing of longevity step increases and payments of compensation at rates in excess of those authorized by law. A longevity step increase was processed by the administrative office in Mr. Ahalt's case on September 26, 1954, before he had completed 3 consecutive years in the top step of his grade as required by law for such increase. He did not complete the 3 consecutive years in the top step of his grade for a longevity step increase until July 18, 1957. A second longevity step increase was processed by the administrative office effective Oc-

tober 6, 1957, based upon the previous erroneous longevity step increase which has been made effective on September 26, 1954, rather than on July 18, 1957, when it was due.

Our auditors issued informal inquiry No. Q-0008 dated February 11, 1960, on the payments of compensation at rates in excess of those authorized by law and established Mr. Ahalt's indebtedness as \$1,171.09. A retirement refund in the amount of \$73.98 was applied to the reported indebtedness by the Air Force base which reduced the debt to \$1,097.11, the amount of relief provided by the bill.

There is no question but that Mr. Ahalt received salary increments to which he was not entitled by law.

Although the overpayment to Mr. Ahalt resulted from an erroneous administrative determination of his longevity step increase rights, we believe that action to relieve him of his obligation to repay the amount of the overpayment would be preferential in nature. Generally, in the absence of unusual circumstances, we do not favor private relief legislation which is preferential. However, the question of whether the facts and circumstances in this case are of such a nature as to warrant relief legislation is a matter for determination by the Congress.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE SECRETARY,
Washington, May 19, 1960.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives.*

DEAR MR. CHAIRMAN: Reference is made to your request for the views of the Department of the Air Force with respect to H.R. 11327, 86th Congress, a bill for the relief of Chauncey A. Ahalt.

The purpose of H.R. 11327 is to relieve Chauncey A. Ahalt, an Air Force civilian employee of the Wright Air Development Division, Dayton, Ohio, of all liability to repay to the United States the sum of \$1,097.11. This sum is the amount which Mr. Ahalt was overpaid, as a result of an administrative error, by the Department of the Air Force between September 26, 1954, and January 23, 1960.

On September 26, 1954, Mr. Ahalt was erroneously given a longevity pay increase of \$200 per annum as a result of a misinterpretation of pay regulations. Air Force pay regulations established in accordance with section 703 of the Classification Act of 1949, as amended, provide that the longevity period for entitlement to a longevity pay increase shall be 3 years of continuous service at the maximum rate, or top step, of the employee's grade. Service at a higher grade may be counted toward the completion of the 3-year period only if at or above the maximum step of the higher grade. After completing a period of 1 year and 5 months in the top step of grade GS-13, Mr. Ahalt was promoted on February 15, 1953, to the bottom step of grade GS-14. Then, on July 18, 1954, he was returned to the top step of grade GS-13. The administrative error

occurred when the period of time which Mr. Ahalt had spent in grade GS-14 was overlooked, or erroneously ignored, and he was awarded a longevity pay increase on September 26, 1954, 3 years after his original entry into the top step of Grade GS-13. Under law and regulations as described above, he should not have been awarded this pay increase until 3 years after his last entry into that grade and step, or until the pay period beginning July 28, 1957.

Because of the erroneous longevity pay increase granted to Mr. Ahalt on September 26, 1954, subsequent pay increases were also in error. A record of overpayments follows:

Dates	Difference between (per annum)	Amount of overpayment
Sept. 26, 1954, to Mar. 12, 1955.....	\$9,560 and \$9,360.....	\$92.28
Mar. 13, 1955, to July 27, 1957.....	\$10,280 and \$10,065.....	512.12
July 28, 1957, to Oct. 5, 1957.....	None.....	
Oct. 6, 1957, to Jan. 11, 1958.....	\$10,495 and \$10,280.....	57.89
Jan. 12, 1958, to Jan. 23, 1960.....	\$11,570 and \$11,330.....	508.80
Total.....		1,171.09
Less overpayment to the retirement fund.....		-73.98
Amount of overpayment to be collected from Mr. Ahalt.....		1,097.11

The error in Mr. Ahalt's pay account was discovered in a General Accounting Office audit conducted during the period January 8 to 25, 1960. On January 24, 1960, the error was corrected, and Mr. Ahalt's salary was readjusted to the correct level.

It is recognized that the erroneous action by an administrative official of the Department of the Air Force resulted in the overpayments of salary to Mr. Ahalt and that collection of such overpayments might work a hardship on him. However, the Department of the Air Force considers that Mr. Ahalt will suffer no greater hardship than that which other individuals have had to withstand under similar circumstances. Further, the Department feels that enactment of this proposal would be highly discriminatory against all other individuals who have been required to refund overpayments in the past and would make the collection of such overpayments more difficult in the future. Finally, Mr. Ahalt has received a sum of money to which he has no entitlement and which he should be required to refund. Therefore, the Department of the Air Force is opposed to the enactment of H.R. 11327.

The date of January 23, 1959, which appears in line 7 of the bill is in error as the period of overpayment was between September 26, 1954, and January 23, 1960.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

JAMES P. GOODE,
Deputy for Manpower, Personnel, and Organization
 (For and in the absence of Lewis S. Thompson, Special Assistant for Manpower, Personnel, and Reserve Forces).

